

## **ADMINISTRATION BILLS**

### **SB182 – Water Quality Improvement Act – Nutrient Management**

This bill sets to improve upon the implementation of the Water Quality Improvement Act (WQIA) of 1998. The Maryland Department of Agriculture (MDA) hosted a nutrient summit involving more than 300 stakeholders who brainstormed ways to make WQIA easier to implement and more effective at protecting the environment. Common themes that emerged from the summit included recommendations to address the current statutory language regarding right-of-entry to farms, simplify the program's paperwork and reporting requirements, use more incentives for plan implementation, and streamline MDA's administrative requirements as to private consultants who prepare nutrient management plans.

As a result of these suggestions, SB182 repeals MDA's current right-of-entry authority and authorizes MDA to review the plans and records relating to the plan at a location agreed to by MDA and the farm operator. The bill establishes requirements and conditions regarding site visits and provides for the application of existing penalties if a farm operator fails to cooperate. Second, the bill requires farmers to submit summaries, rather than entire plans, to MDA. Third, the bill reduces the administrative burden on MDA relating to certifying and licensing nutrient management consultants by changing the renewal term from one year to three years; it increases the renewal fee accordingly (from \$50 to \$150). The bill establishes a certification program specific to farmers; farmers who are certified to write their own plans will pay a one-time fee of \$20. Finally, the bill increases flexibility for MDA regarding plan development standards and the use of private nutrient management consultants.

The text of this bill was also amended into SB320 – Water Pollution – State Waters – The Bay Restoration Fund.

### **SB186/HB294 – Brownfields Redevelopment Reform Act**

Several meetings were held by stakeholders during the 2003 interim to address methods of altering the Voluntary Cleanup Program (VCP) within the Maryland Department of the Environment (MDE) to further encourage the safe redevelopment of brownfields. Brownfields are abandoned or underutilized industrial or commercial sites, located primarily in urban areas, which are either contaminated or perceived to be contaminated by hazardous substances.

SB186/HB294 are designed to encourage participation in the existing VCPs by expanding eligibility to participate, providing a more predictable process for prospective owners of eligible properties, reducing the costs of redevelopment, and decreasing departmental turnaround times. The bills also provide new enforcement authority to MDE under the Controlled Hazardous Substances Subtitle and broaden eligibility for grants and loans. These changes are estimated to result in a 35 percent increase in the number of applications submitted to MDE to enter the VCP.

### **SB320 – Water Pollution – State Waters – The Bay Restoration Fund**

This bill establishes a bay restoration fee to be paid by users of wastewater treatment plants (WWTPs). The General Assembly amended the bill to extend the fee to users of onsite sewage disposal systems (septic tanks) and sewage holding tanks. The money generated from the bay restoration fee is to be deposited in the Bay Restoration Fund established by the bill.

The bill sets the fee at \$2.50 per month (\$30 annually), for each residential dwelling that receives an individual sewer bill and for each user of a septic system or sewage holding tank that receives a water bill. For a building or group of buildings under single ownership or management that contain multiple residential dwellings that do not receive an individual sewer bill, or for a nonresidential user, the bill establishes a sliding fee scale based on the volume of wastewater generated; the fee is \$2.50 per month (\$30 annually) for each “equivalent dwelling unit” (EDU), generally 250 gallons of wastewater effluent generated daily, up to 3,000 EDUs, and \$1.25 per month (\$15 annually) for each EDU exceeding that threshold and up to 5,000 EDUs. Based on that “cap,” the maximum fee is \$120,000 annually. The bill also provides that the maximum fee for a single site is \$120,000. The fees described above, which will be collected through water and sewer bills, take effect January 1, 2005. The bill exempts certain users, including local governments, from the fee.

The fee for each user of a septic system or a sewage holding tank that does not receive a water bill is \$30 per year. These fees, which take effect October 1, 2005, will be collected by local governments, in a method and frequency as determined by individual counties. An advisory committee established by the bill will identify users of septic systems and sewage holding tanks and make recommendations to counties on the best method of collection. Of the fee revenue collected from users of septic systems and sewage holding tanks, after a deduction by billing authorities for administrative costs, 60% will be deposited into a separate account within the Bay Restoration Fund; the Maryland Department of the Environment (MDE) is directed to use these funds to provide grants and loans to septic system owners for upgrading their systems with nitrogen removal technology. MDE is allowed to use a portion of these funds for administrative expenses, including the costs to implement an education, outreach, and upgrade program to advise owners of septic systems and sewage holding tanks on proper maintenance of their systems and the availability of grants and loans for upgrades. The remaining 40% of fee revenue collected from users of septic systems and sewage holding tanks will be transferred to the Maryland Agricultural Water Quality Cost Share (MACS) Program within the Maryland Department of Agriculture (MDA) to fund cover crop activities. Under MACS, MDA provides grants to farmers to cover up to 87.5% of the cost to install best management practices (BMPs).

Once the bill’s fee provisions are fully implemented, gross fee collections will total approximately \$74 million annually (\$62 million from WWTP users and \$12 million from users of septic systems and sewage holding tanks). After a deduction by billing authorities for administrative costs, fee revenue from WWTP users will support the issuance of bonds to provide the additional revenue needed to provide grants to WWTP owners for upgrades to achieve “enhanced nutrient removal” (ENR). Other allowable uses of the revenue collected from WWTP users include grants for sewer infrastructure projects, grants to offset a portion of operation and maintenance costs associated with ENR technology, and administrative expenses.

SB 320 also incorporates the Administration’s SB182 – Water Quality Improvement Act – Nutrient Management – the proposal to amend the Water Quality Improvement Act of 1998 in an effort to encourage farmers to develop and implement nutrient management plans.

